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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Marketing Administration

Reserve

No. 30

AMA "WAR BOARD" LETTER

Wash. D.C. Aug. 22, 1942

AMA REORGANIZATION: While final details have not been announced, new set-up calls for establishment of seven regional offices at New York, Atlanta, Chicago, Des Moines, Dallas, Denver and San Francisco. Responsibilities of Regional Administrators will be outlined by AMA Administrator Hendrickson at conference of new regional directors here during week of Aug. 24. Such details as are available will be covered in next WB Letter.

FIELD PURCHASE OPERATIONS: AMA is continuing support of fresh vegetable prices on Farmers' Markets in Connecticut, New Jersey and at Bustleton, Pa. through spot purchases. Covered are beets, carrots, snap beans, corn and tomatoes. (See WB Letter No. 21, Aug. 15/42 for prices at which purchases are being made.) This is only field purchase program now in operation. AMA purchase branch is at present investigating applications of Farmers' Markets in other sections of country for similar price support programs. ONION PURCHASE program in California and Washington closed end of last week. Took 96 cars in California and 20 in Washington. Paid 75¢ per 50 lb. for most purchased (80% US No.1), but bought some commercials in Walla Walla area at 70¢. Purchase of cabbage in Wytheville, Va. area and potatoes in New Jersey and Long Island, contemplated last week, found not necessary. Rains in potato area brought strong market. CONTEMPLATED: Survey is being made now to see if apple purchase programs will be needed. Will cover all large commercial apple sections of country if need develops.

VICTORY FOOD SPECIALS: Fresh apples will be featured on VFS nationally during period Sept. 17 thru 26. For this period VFS designation is designed to encourage increased use of so-called "soft" varieties of apples which should not be stored for winter use. (Includes McIntosh and Wealthy in New York and New England; Grimes Golden and Jonathan in Southern States and Jonathans in States west of Mississippi River.) Winter varieties of apples will be featured as VFS During period Oct. 22 thru 31. Object then will be to relieve pressure of storage demand so only those apples suitable for storing will be held. Expected that there will be ample facilities for those that should be stored. Commercial crop estimate of Aug. 1 placed 1942 crop at 122,215,000 bu., slightly above last year. Since this estimate conditions have been favorable for crop to grow larger, which probably will mean increase in total volume at harvest. Despite increased demand for processed apples for military and Lend-Lease, supplies for domestic consumption will be abundant.

CANNED SALMON: AMA purchase branch has told industry that present Govt. needs (Army, Navy & Lend-Lease) for canned salmon are minimum of 3,000,000 cases. Cannerys have been requested to offer AMA 60% of pack and hold balance until full extent of Govt requirements are determined. Insofar as possible AMA will purchase approximately same percentage of production from each district and each packer. This will not prevent any packer so desiring from selling his entire pack to Govt, however. Although half-pound cans will be accepted when necessary, cannerys have been asked to pack as much as possible in one-pound cans and to pack as few grades as practical. In purchasing AMA will undertake to consider differences in grades which heretofore have been reflected in selling prices as between districts, specifically as between districts of Columbia River, Puget Sound, Copper River and Alaska area.



FARM LABOR: Complete list of occupations essential to war effort is being worked up for Man Power Commission. This over-all list will include agricultural occupations within the list of essential activities issued by US Employment Service last month (WB Letter No. 26, July 25/42). OAWR is supplying information on agricultural occupations. Man Power Commission will issue completed list as directive to local Selective Service Boards as guide to use in cases of deferment.

STAMP PLAN: Butter, peaches, plums and oranges will be removed from September stamp plan food list. Butterfat prices have been relatively satisfactory to producers this month. (Support price for butter is around 39¢ per lb., Chicago basis. Market price there on Aug. 20 was 41 1/2¢ per lb.) Peak of marketing season for peaches, plums and oranges has passed and supplies are less plentiful. Felt that price support for these products supplied by food stamp plan will NOT be necessary in September. List for month will include fresh pears and apples, all fresh vegetables, including Irish and sweet potatoes, shell eggs, corn meal, hominy (corn) grits, dry edible beans, wheat flour, enriched wheat flour, self-rising flour, enriched self-rising flour, and whole wheat (Graham) flour.

RAISINS AND PRUNES: AMA is announcing that it will pay growers average prices of \$110 per ton for natural condition raisins and \$142.50 per ton for natural condition dried prunes to be purchased for Lend-Lease and other purposes. These prices meet minimum requirements of section 3A of price control act and will assure growers their proportionate share of packers' ceilings for dried fruits fixed by OPA. Specific prices, superceding those announced June 9, are: raisins - Sultanas, \$105 per ton, Thompsons and Muscats, \$110 per ton, Golden Bleached Thompsons, \$132 per ton; prunes - California Three Districts (Santa Clara) 6 1/4¢ per lb. basis, and Northwest prunes about 1/4¢ per lb. under California "Outside" District prunes of comparable size.

FREIGHT RATES: On behalf of Secty Wickard, USDA Solicitor's office has petitioned Interstate Commerce Commission to change rate classification on edible nuts. Reason: On March 18/42, ICC issued order in its general rate investigation (Ex Parte 148) granting railroads 6% freight rate increase on general commodities and 3% increase on agricultural commodities. However, edible nuts were not classified as agricultural commodities. Dept is asking ICC to so classify them.

COTTON BALE TIES: OAWR has recommended to WPB that cotton bale cover companies now making deliveries be permitted to purchase ties and buckles in sufficient quantities to permit most effective distribution of bale covers now being woven. It is expected that an increasing quantity of bale ties and covers will be required by southern gimmers. Under present WPB directive covering these supplies, it is difficult for steel companies to deliver supplies commensurate with the number of cotton bale wrappers presently being sold for the 1942 crop.

